

AQO

April 19, 1996

MEMORANDUM FOR COMMANDERS, DCMC CONTRACT ADMINISTRATION
OFFICES

SUBJECT: Single Process Initiative, Statutory Changes or Regulatory Deviations

In our Reinvention Laboratory for Reducing Oversight Costs, contractors have submitted proposed waivers to statute or regulations. In addition, contractors are now submitting concept papers under the Single Process Initiative that include requests for statutory changes (e.g., Competition In Contracting Act, Truth In Negotiation Act) or deviations from regulatory requirements (e.g., FAR, DFARS, DoDI 5000.2). As submitted, these requests usually address requirements imposed by law or General Services Administration regulations. I have determined that proposed changes to statute or deviation from regulations belonging to other than DoD should be submitted, recorded and pursued under the Single Process Initiative rather than the Reinvention Laboratory for Reducing Oversight Costs. The following guidance should be used when processing concept papers that request statutory change or regulatory deviation.

The local Management Council, with advice from their District "SWAT Team" legal counsel member, should review all concept papers to analyze the merits and cost-benefits of the change regardless of statutory or regulatory requirements involved. Once the Management Council determines that a concept paper affecting statutory or regulatory requirements benefits the Government, the Contract Administration Office (CAO) should process the change or deviation request using the following guidance.

For requests which involve changes to law, the Management Council will submit the request to Headquarters DCMC Block Change Management Team. The request will fully describe (1) the specific statute to be amended or repealed; (2) the detailed rationale as to why the change is needed, including a statement of what problem or situation will be avoided, corrected or improved if the request is approved; (3) the cost, schedule or performance benefit to the Government; and (4) the suggested change language.

For requests which involve changes or deviations to regulations, including FAR and DFARS, the Management Council will also submit the request to Headquarters DCMC Block Change Management Team. Each request should contain (1) the FAR, DFARS or other regulatory citation from which a deviation is needed, including a discussion of whether the requirement originates from statute or a directive of another agency; (2) a statement as to whether the change or deviation will have a significant effect beyond the internal operating

procedures of the agency or a significant cost or administrative impact on contractors, and give reasons to support the statement; and (3) a detailed rationale as to why the change or deviation is needed, including a statement of what problem or situation will be avoided, corrected or improved if the request is approved.

If a concept paper involves statutory or regulatory requirements, the CAO will report it in their Service Acquisition Executive report to the Headquarters DCMC Block Change Management Team. The CAO will cite the source of the requirement and the specific portions of statute or regulation to be changed in the "Description of the Common Process" data element of the report. The CAO will report the date the request was submitted to the Headquarters DCMC in the "Current Status" data element of the report. Once the request has been submitted, no further reporting will be required until the request is approved and the concept paper is re-inserted into the block change process.

If you have questions on the Block Change process, contact Mr. Jim Bauer, Block Change Management Team Leader at (703) 767-2471/ DSN 427-2471.

(Signed)
ROBERT W. DREWES
Major General, USAF
Commander